

**MINUTES
CITY OF ST. CHARLES
GOVERNMENT OPERATIONS COMMITTEE
ALD. MAUREEN LEWIS, CHAIR
TUESDAY, SEPTEMBER 8, 2020**

1. Call to Order

2. Roll Call

3. Administrative

- a. Video Gaming Statistics July, 2020

4. Omnibus Vote

Items with an asterisk (*) are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.

Motion by Ald. Bancroft, Second by Ald. Bessner to approve the omnibus vote.

Voice Vote: Ayes: Unanimous; Nays: None. Chairman Lewis did not vote as Chairman.

Motion Carried

5. Community & Economic Development

- a. Recommendation to approve a Sales Tax Sharing Economic Incentive Agreement between City of St. Charles and Semersky Enterprises, Inc. (Audi-Exchange St. Charles).

Rita Tungare explained the Sales Tax Sharing Economic Incentive Agreement between the City of St. Charles and Semersky Enterprises, Inc. The proposal is for a 25,000 sq. ft. Audi Dealership in St. Charles. Semersky Enterprises, Inc. is seeking a financial incentive, specifically a Sales Tax Sharing incentive Agreement, to cover the extraordinary costs associated with the construction of the dealership. The amount of the incentive being requested is \$2,616,000. Seventy-five percent being rebated back to Semersky Enterprises, and 25% sales tax back to the City of St. Charles. The term of the agreement is 15 years. Semersky Enterprises, Inc. is required to provide documentation of the extraordinary costs to be reimbursed. There is a cap which is the before mentioned \$2,616,000. Semersky will only be reimbursed for what the City receives documentation for. The terms of the agreement document that the City is under an obligation for development of this lot through an Intergovernmental Agreement with Kane County for the amount of \$1.47M. This is to be paid to the County in three payments. A claw back provision has been included in the Incentive

Agreement to ensure that the City is paid back the \$1.47M. If the dealership chooses to relocate or close, Semersky Enterprises, Inc. will reimburse the City for what has not been recouped from the 25% sales tax or the \$1.47M.

Ald. Bessner asked if at the end of 15 years it would be expected that everything would be paid back to the City. Rita said that based on the projections provided it's expected that the City would be paid whole for both the amounts mentioned. If it's not paid back at the end of 15 years, the agreement would continue until the City is paid.

Motion by Ald. Lemke, second by Ald. Bessner to recommend the approval of a Sales Tax Sharing Economic Incentive Agreement between City of St. Charles and Semersky Enterprises, Inc. (Audi-Exchange St. Charles).

Roll Call Vote: Ayes: Payleitner, Lemke, Bancroft, Vitek, Pietryla, Bessner, Stellato, Silkaitis; Nays: None. Chairman Lewis did not vote as Chairman. **Motion Carried**

6. Finance Department

*a. Budget Revisions – April, 2020

*b. Budget Revisions – August, 2020

c. Recommendation to Approve a Resolution Authorizing the Director of Finance to Enter into an Agreement for Natural Gas Based on the Results of a Reverse Online Auction to be Conducted by Transparent Energy.

Chris Minick explained that in 2017 Transparent Energy, the City's broker, conducted a reverse online auction for natural gas services. Based on the results of that auction the City entered in to a three-year agreement with Hudson Energy Services that they would provide natural gas through the Nicor Distribution System at a cost of .37.7 cents per therm. The contract expires in October, 2020 and we need to undergo another process to obtain a supplier of natural gas for a period of time. The resolution enclosed in the packet authorizes Transparent Energy to conduct an online auction that would be held the week of September 21, 2020. Based on the results of that auction the City would enter into another contract for natural gas services. Because the price of natural gas fluctuates on a daily basis we would need to execute the contract the same day after the conclusion of the auction.

Chairman Lewis asked if the cost is for City owned buildings only, and how the cost averaged over the last three years.

Chris confirmed that it is for City owned buildings. He then stated that the cost was sometimes lower than what the City paid but there were also times when it was higher.

Motion by Ald. Lemke, second by Ald. Vitek to recommend the approval of a Resolution Authorizing the Director of Finance to Enter into an Agreement for Natural Gas Based on the Results of a Reverse Online Auction to be Conducted by Transparent Energy.

Voice Vote: Ayes: Payleitner, Lemke, Bancroft, Vitek, Bessner, Stellato, Silkaitis; Abstain: Pietryla; Nays: None. Chairman Lewis did not vote as Chairman.

Motion Carried.

7. City Administration

- a. Presentation of the City of St. Charles 2020 Residential Survey from Jason Morado of the ETC Institute.

Benjamin Nielsen introduced Jason Morado from the ETC Institute who presented the results of the 2020 City of St. Charles Residential Survey.

Ald. Bessner asked if this was the first survey ETC has done for the City of St. Charles and if he knows what the score was from last year? Jason confirmed that this was the first time ETC has done a survey for St. Charles and stated that he didn't have the information at hand.

Ald. Bessner asked if ETC has done surveys for other communities in Illinois. Jason stated that they have worked with Naperville, Bensenville, Oswego, Mt. Prospect.

Ald. Lemke asked if it's clear when looking at police and fire reports that most of the calls are really for EMS services, and that fire is an umbrella term? Jason Morado answered that they were more specific later in the survey.

Ald. Payleitner stated that she was excited to get the survey in the mail, did the survey, and when she saw the yellow map her red dot wasn't there. Jason answered that it should have been there unless it was received after the data was processed.

Chair Lewis thanked staff for the work they do that led to such positive survey results.

Motion by Ald. Lemke, second by Ald. Payleitner to enter executive session to discuss personnel 5 ILCS 120/2(c)(1).

Roll Call: Ayes: Stellato, Silkaitis, Payleitner, Lemke, Bancroft, Vitek, Pietryla, Bessner; Nays: None. **Motion Carried**

Motion by Ald. Pietryla, second by Ald. Bessner to Exit Executive Session at 8:30 p.m.

Voice Vote: Ayes: Unanimous; Nays: None. Chairman Lewis did not vote as Chairman.
Motion Carried

8. Additional Items from Mayor, Council, Staff, or Citizens.

9. Executive Session

- Personnel – 5 ILCS 120/2(c)(1)
- Pending Litigation – 5 ILCS 120/2(c)(11)
- Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
- Property Acquisition – 5 ILCS 120/2(c)(5)
- Collective Bargaining – 5 ILCS 120/2(c)(2)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

10. Adjournment

Motion by Ald. Lemke, second by Ald. Bancroft to adjourn the meeting at 8:30 p.m.

Voice Vote: Ayes: Unanimous; Nays: None. Chairman Lewis did not vote as Chairman.
Motion Carried

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